

LEGISLATURE OF NEBRASKA
ONE HUNDRED FIFTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 409

Introduced by Groene, 42; Erdman, 47; Linehan, 39.

Read first time January 13, 2017

Committee: Education

1 A BILL FOR AN ACT relating to school finance; to amend section
2 79-1015.01, Reissue Revised Statutes of Nebraska, and section
3 77-3446, Revised Statutes Cumulative Supplement, 2016; to change
4 provisions relating to the Tax Equity and Educational Opportunities
5 Support Act; to change the base limitation; to change the local
6 effort rate; to eliminate obsolete provisions; to repeal the
7 original sections; and to declare an emergency.
8 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-3446, Revised Statutes Cumulative Supplement,
2 2016, is amended to read:

3 77-3446 Base limitation means the budget limitation rate applicable
4 to school districts and the limitation on growth of restricted funds
5 applicable to other political subdivisions prior to any increases in the
6 rate as a result of special actions taken by a supermajority of any
7 governing board or of any exception allowed by law. The base limitation
8 is two and one-half percent until adjusted, except that the base
9 limitation for school districts for school fiscal years 2017-18 and
10 2018-19 ~~year 2012-13 is one-half of one percent and the base limitation~~
11 ~~for school districts for school fiscal year 2013-14 is zero one and one-~~
12 ~~half percent.~~ The base limitation may be adjusted annually by the
13 Legislature to reflect changes in the prices of services and products
14 used by school districts and political subdivisions.

15 Sec. 2. Section 79-1015.01, Reissue Revised Statutes of Nebraska, is
16 amended to read:

17 79-1015.01 (1) Local system formula resources shall include local
18 effort rate yield which shall be computed as prescribed in this section.

19 (2) For each school fiscal year except school fiscal 2017-18 and
20 2018-19 ~~years 2011-12 through 2013-14:~~ (a) For state aid certified
21 pursuant to section 79-1022, the local effort rate shall be the maximum
22 levy, for the school fiscal year for which aid is being certified,
23 authorized pursuant to subdivision (2)(a) of section 77-3442 less five
24 cents; (b) for the final calculation of state aid pursuant to section
25 79-1065, the local effort rate shall be the rate which, when multiplied
26 by the total adjusted valuation of all taxable property in local systems
27 receiving equalization aid pursuant to the Tax Equity and Educational
28 Opportunities Support Act, will produce the amount needed to support the
29 total formula need of such local systems when added to state aid
30 appropriated by the Legislature and other actual receipts of local
31 systems described in section 79-1018.01; and (c) the local effort rate

1 yield for such school fiscal years shall be determined by multiplying
2 each local system's total adjusted valuation by the local effort rate.

3 ~~(3) For school fiscal years 2011-12 and 2012-13: (a) For state aid~~
4 ~~certified pursuant to section 79-1022, the local effort rate shall be the~~
5 ~~maximum levy, for the school fiscal year for which aid is being~~
6 ~~certified, authorized pursuant to subdivision (2)(a) of section 77-3442~~
7 ~~less one and five-hundredths of one cent; (b) for the final calculation~~
8 ~~of state aid pursuant to section 79-1065, the local effort rate shall be~~
9 ~~the rate which, when multiplied by the total adjusted valuation of all~~
10 ~~taxable property in local systems receiving equalization aid pursuant to~~
11 ~~the Tax Equity and Educational Opportunities Support Act, will produce~~
12 ~~the amount needed to support the total formula need of such local systems~~
13 ~~when added to state aid appropriated by the Legislature and other actual~~
14 ~~receipts of local systems described in section 79-1018.01; and (c) the~~
15 ~~local effort rate yield for such school fiscal years shall be determined~~
16 ~~by multiplying each local system's total adjusted valuation by the local~~
17 ~~effort rate.~~

18 (3) (4) For school fiscal years 2017-18 and 2018-19 year 2013-14:
19 (a) For state aid certified pursuant to section 79-1022, the local effort
20 rate shall be the maximum levy, for the school fiscal year for which aid
21 is being certified, authorized pursuant to subdivision (2)(a) of section
22 77-3442 less four ~~two~~ cents; (b) for the final calculation of state aid
23 pursuant to section 79-1065, the local effort rate shall be the rate
24 which, when multiplied by the total adjusted valuation of all taxable
25 property in local systems receiving equalization aid pursuant to the Tax
26 Equity and Educational Opportunities Support Act, will produce the amount
27 needed to support the total formula need of such local systems when added
28 to state aid appropriated by the Legislature and other actual receipts of
29 local systems described in section 79-1018.01; and (c) the local effort
30 rate yield for such school fiscal years shall be determined by
31 multiplying each local system's total adjusted valuation by the local

1 effort rate.

2 Sec. 3. Original section 79-1015.01, Reissue Revised Statutes of
3 Nebraska, and section 77-3446, Revised Statutes Cumulative Supplement,
4 2016, are repealed.

5 Sec. 4. Since an emergency exists, this act takes effect when
6 passed and approved according to law.